

Successful Techniques for Mainstream Audiences

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Agenda

- > Research Foundation
- > Customer Purchase Pipeline
- > Integrated Marketing Strategies
- > Results
- > Q & A



Consumer Knowledge/Awareness

Research on consumer buying patterns in both regulated and deregulated markets shows us consumers:

- > Not used to looking for any choices regarding electricity
- > Lack awareness/understanding of polluting nature of electricity generation and environmental consequences
- > Not shopping for cleaner energy



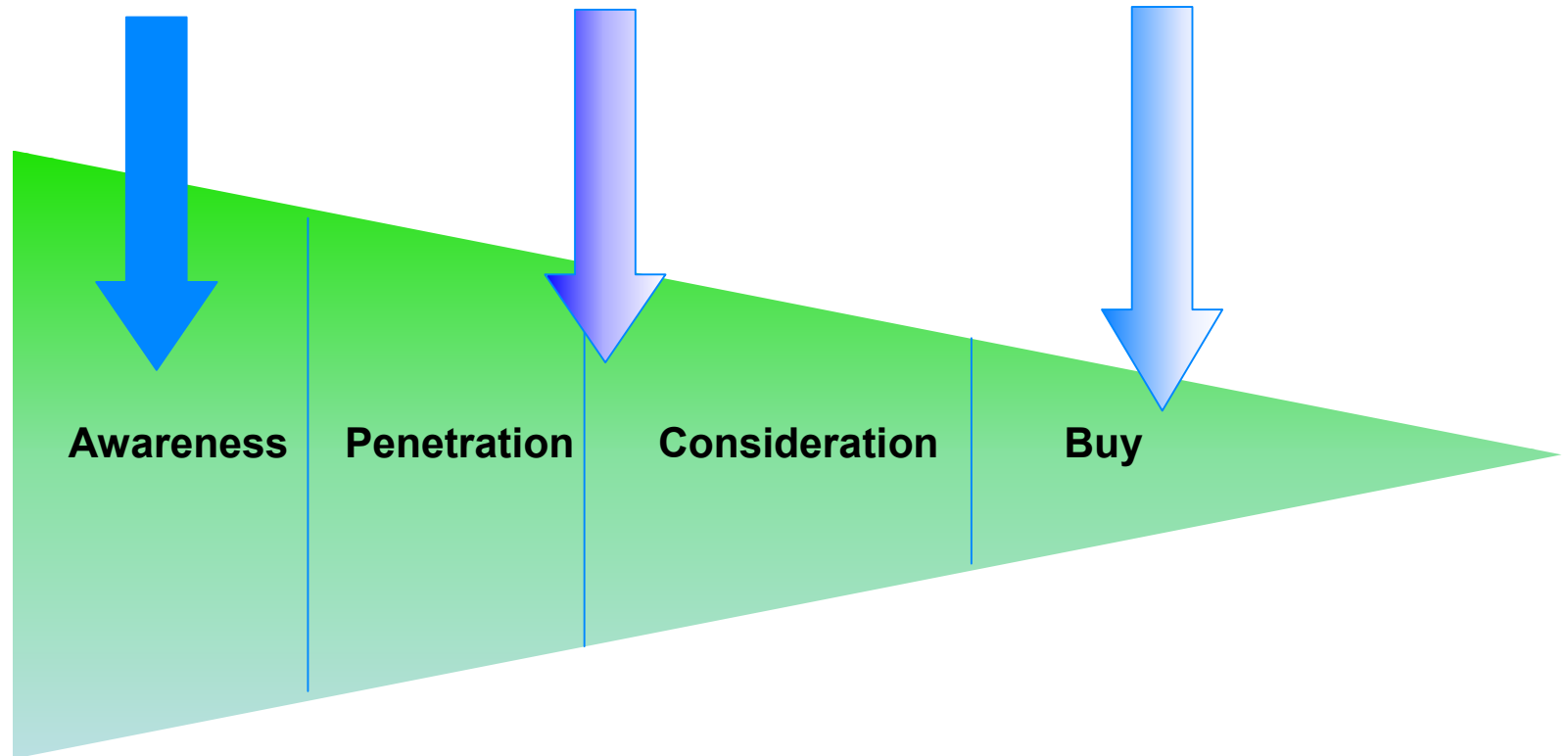
Consumer Purchase Challenges

- > Only a subset of the total market will be interested in purchasing green power
- > Durable customers don't buy on impulse
 - o Requires continuous education and multiple communications

Additional Challenges in Texas

- > Lack of market education continues, awareness of deregulation dropped year-over-year
 - o No funding for public education since 2001
- > More competitors – most with discounted products
 - o Now new ones emerging in the green category
- > Significant advertising \$\$ spent in markets with incumbent utilities to protect customer base
- > Electricity customers take a long time to make a purchase decision
 - o Significant perceived risk in switching
 - o Significant incumbent inertia/low involvement

Customer Purchase Pipeline





The Challenge

- > Maximize understanding of the purchase pipeline to determine go to market strategy
- > Utilize this information to develop targeted programs to generate quality sales
- > Work within limited budgets and maximize investment



Strategies

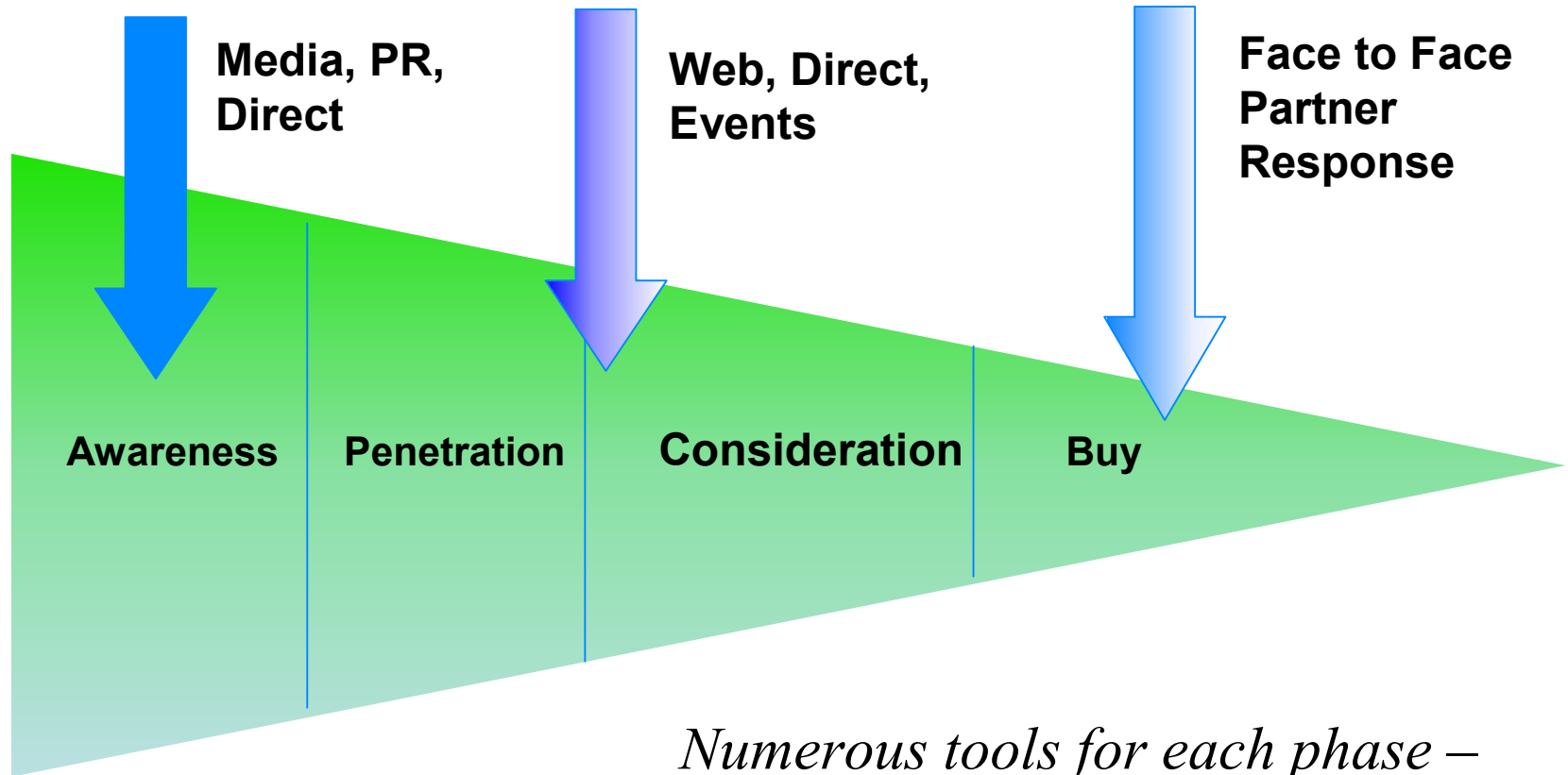
- > Utilize research and measure everything
 - o Try to quantify who your prospects are and where in the purchase pipeline
- > Holistic marketing mix
 - o Utilize different vehicles/channels to target different phases of the purchase pipeline
- > Invest across all aspects of the mix/pipeline
 - o With limited budgets target where you can get maximize impact



Multi-Touch Go-To-Market Strategy

- > Balanced attack across purchase pipeline
- > Coordinated cross-channel campaigns
- > Geographically concentrated sales & marketing execution
- > Targeted hot zips, profiled prospect targets
- > Centralized prospect/customer/campaign data

Customer Purchase Pipeline



Numerous tools for each phase –
Find most cost-effective ones



Sample Awareness Tactic

Integrate PR

- > Proactive cultivation of local/regional/national media relationships to help shape stories and story ideas
- > Leverage Commercial news opportunities to reinforce brand and credibility with residential customers
- > Timely and targeted campaigns and press events centered around specific theme/messages
- > Be opportunistic
 - o OpEds around energy issues
 - o Story ideas to media around topical issues

Focus on Consideration Yield

Build programs to find prospects in a position to make a buying decision

- > Multi-touch, integrated marketing with more consistent messaging & design across channels
- > Invest in single online focus site to support prospects
- > Maximize online signup with superior implementation
- > Tracking system to measure prospect behavior, and determine most effective tactics



Additional Consideration Tactics

- > Integrate direct mail with face to face channels
- > Develop new indirect sales channels that target those in consideration phase



Results with Multi-Touch Approach

- > Lower overall spending and cost per sale
- > Increased sales velocity
 - o Leads generated continuously from focus on entire purchase process
- > Maximized market exposure to targeted prospects
- > Opportunity to fine tune
 - o Through customer lifecycle
 - o Greater ability to pass leads across channels



Questions?